Document No. 3678 Voted at Meeting of 10/5/78

BOSTON REDEVELOPMENT AUTHORITY

REPORT AND DECISION ON THE APPLICATION OF CHARLESTOWN E.D.C./JOHN HARVARD SCHOOL APARTMENTS, INC. FOR THE AUTHORIZATION AND APPROVAL OF A PROJECT UNDER MASSACHUSETTS GENERAL LAWS (TER.ED.) CHAPTER 121A AS AMENDED, AND CHAPTER 652 OF THE ACTS OF 1960, TO BE UNDERTAKEN AND CARRIED OUT BY A NON-PROFIT CORPORATION FORMED UNDER M.G.L. CHAPTER 180, AND APPROVAL TO ACT AS AN URBAN REDEVELOPMENT CORPORATION UNDER SAID CHAPTER 121A.

A. The Hearing. A public hearing was held at 2 p.m. on September 21, 1978, in the offices of the Boston Redevelopment Authority (hereinafter called the "Authority"), at the New City Hall, Room 921, Boston, Massachusetts 02201, by the Authority on an Application. dated August 11, 1978, (hereinafter called the "Application"), filed by Charlestown E.D.C./John Harvard School Apartments, Inc. for authorization and approval of a redevelopment project under Chapter 121A of the General Laws of the Commonwealth of Massachusetts and Chapter 652 of the Acts of 1960, as amended, (hereinafter called the "Project"), due notice of said hearing having been given previously by publication on September 6, 1978, and September 13, 1978, in the Boston Herald American, a daily newspaper of general circulation published in Boston, and mailing postage prepaid in accordance with Rule 8 of the Rules and Regulations of the Authority for securing approval of Chapter 121A projects, and in accordance with the provisions of Section 13 of Chapter 652 of the Acts of 1960, as amended. Robert L. Farrell, Chairman of the Authority,

James G. Colbert, Joseph J. Walsh, James K. Flaherty and James E. Cofield, Jr., members of the Authority, were present throughout the hearing.

B. The Project. The Project consists of approximately 16,269 square feet of land with a brick, three-story structure thereon, formerly the John Harvard School, numbered 20 Devens Street, in the Charlestown section of the City of Boston. The site is bounded by Prescott Street, Rutherford Avenue, Devens Street and the land of Gallagher in a plan entitled "Rutherford Ave., Devens Street. A full metes and bounds description is contained in the Application. The Project consists of the purchase from the Boston Public Facilities Department, operation and maintenance by the Applicant of thirty (30) units of housing for low-income elderly and handicapped persons in the Project Area. Twenty-eight (28) will be one-bedroom units and two (2) will be two-bedroom units. The appurtenant facilities will include substantial common community spaces, both interior and exterior, for medical examination areas, arts and crafts rooms and workshops, lounges and libraries, laundry facilities, and community dining and meeting places. The Developer intends to complete the H.U.D. Section 202 mortgage loan some time in September, 1978, and to begin rehabilitation work on the exterior of the building within ten days. The construction phase of the project should be completed within twelve (12) months of start.

C. Authority Action. In passing upon the Application, the Authority has considered the Application itself, all documents, plans and exhibits filed therewith or referred to therein, the oral evidence presented at the hearing, the exhibits offered in evidence at the hearing, and arguments and statements made at the hearing.

The Project, as defined in the Application, constitutes a Project within the meaning of Section 1 of Chapter 121A of the General Laws, providing as it does, for the purchase, rehabilitation, operation and maintenance in a blighted, open, decadent or substandard area of a decent, safe and sanitary residential building and appurtenant facilities.

D. Project Area. The Project Area is located in the recently designated Town Hill Historical District in the neighborhood of Charlestown in the City of Boston and in the opinion of the Applicant is presently a blighted open and decadent area as defined in Chapter 121A, detrimental to the safety, health, morals, welfare and sound growth of the community. The Project Area is the former John Harvard Public Elementary School and was vacated by the Boston School Department in 1972 and is currently in the custody and control of the Boston Public Facilities Department, bringing no tax revenue into the City. It is presently in a vandalized and debilitated condition. The building is boarded up and secured, but is otherwise unmaintained and is without heat, light, or other mechanical systems. The site surrounding the structure is asphalted, but is likewise unattended.

The Project does not conflict with the City of Boston Master Plan.

It is improbable that the conditions causing the present blight and deterioration could be corrected by the ordinary operation of private enterprise and without the aids available under G.L. Chapter 121A as is evidenced by the requirement of the mortgage lender in Appendix 5 to the Application, that the real estate taxes be limited to contain percentages of the project's estimated gross annual income, which percentage levels can only be lawfully agreed to by the City of Boston under G.L. Chapter 121A and Chapter 6A. These conditions and other factors referred to in the Application and this Report and Decision warrant the carrying out of the Project in accordance with Chapter 121A and the proposal constitutes a "project" within the meaning of that statute.

For these reasons it is found that the Project Area is a blighted open area within the meaning of Chapter 121A as amended. It is unlikely that the conditions will be remedied by the ordinary operations of private or public enterprise.

The Project will provide substantial financial return to the City of Boston. Appendix 6 of the Application sets forth the Agreement to be entered into between the City of Boston and the Applicants. This Agreement provides in substance that there be paid to the City of Boston in lieu of real estate taxes for a period that would be co-terminus with the U. S. Department of Housing and Urban Development's Subsidy program, an amount over the excise payable under General Laws,

Chapter 121A, section 10. During construction and through and including the next six months, the owner will pay in lieu of taxes, based on the minimum excise tax formula, 5% of gross rental income plus \$10 per \$1,000 of fair cash value of the property.

After completion, twelve per cent (12%) of the gross residential income and one per cent (1%) every third year to a maximum of fifteen per cent (15%), all based on substantial general increases in real estate taxes.

E. <u>Cost of the Project</u>. In the opinion of the Authority, the cost of the Project has been realistically estimated in the Application and the Project is practicable. The estimated cost is approximately One Million One Hundred and Forty-Seven Thousand Nine Hundred Eighty-Seven (\$1,147,987.00) Dollars. The Applicant has received a conditional commitment from HUD for 95.3% construction and permanent financing of the total cost of the Project, as determined by HUD, pursuant to Section 202 of the Housing Act of 1959. The Applicant will pay interest on the construction loan at the estimated rate of 7 3/8%, while the rate of interest on the permanent loan will be 6 7/8% for forty (40) years.

The Project will be assisted by rental assistance under Section 8 of the U.S. Housing Act of 1937, as amended, for 100% of the units.

Under the Section 8 Program, HUD pays that amount of the fair market rent for an apartment that exceeds 25% of the tenant's income.

The Project will be undertaken by a non-profit corporation,
Charlestown E.D.C./John Harvard School Apartments, Inc. Experience
with similar financing and organizational methods persuades the
Authority that the financial program is realistic.

- F. Consistency with Master Plan. The Project does not conflict with the Master Plan for the City of Boston.
- G. Effect of the Project. The Project will not be in any way detrimental to the best interests of the public or the City or to the public safety or convenience or be inconsistent with the most suitable development of the City. The Project will, in fact, forward the best interests of the City and will constitute a public use and benefit. The Project rehabilitation plans have been reviewed by the Design Review Staff of the Authority and is subject to further design review should the proposed design change in any way. The Authority finds that this Project will enhance the general appearance of the Area.

The carrying out of the Project will not involve the destruction of any existing structures as the site is presently a vacant school to be rehabilitated into 30 units of elderly housing and further involves no relocation of any persons from their apartments.

The Project Area does not include land within any location approved by the State Department of Public Works for the extension of the Massachusetts Turnpike into the City of Boston.

H. Environmental Considerations. Conformably with the provisions of Section 6 of Chapter 30 of the General Laws (as inserted by Chapter 781 of the Acts of 1972), and the Regulations thereunder as adopted by the Authority on April 11, 1974, the Project must comply with the City of Boston Air Pollution Control Commission's Regulations for the Control of Atmospheric Pollution and Regulations for the Control of Noise during all phases of construction activities.

- 1. The Project does not adversely affect any recreational areas or any aesthetic values in the surrounding area.
- 2. No natural or man-made places are affected by the Project.
- 3. The Project does not adversely affect archeological or historical structures or features. It is expected that the Project will enhance the historic structures in the Area.
- 4. The Project does not affect the potential use, extraction or conservation of a scarce natural resource.
- 5. The Project Area is urban and therefore does not serve as a habitat for wildlife or fish species.
- 6. Being urban, the Project has no impact on any wilderness areas.
- 7. The Project will require deviations from the Zoning Code and the Building Code of the City of Boston as further detailed herein, but not in such manner as will cause damage to the environment.

- 8. The Project does not require certification, authorization or issuance of a permit by any local, State or Federal environmental control agency.
- 9. The Project does not involve the disposal of potentially hazardous materials.
- 10. The Project does not involve the construction of facilities in a flood plain.
- 11. The Project, except necessarily during the construction phase, does not result in the generation of a significant amount of noise or dust.
- 12. The Project does not result in a deleterious effect on the quality of any portion of the State's air or water resources.
- 13. The Project does not affect an area of important scenic value.

As a result of the investigation and Report of the Authority's staff and of its own knowledge, the Authority hereby determines that the Project will not cause significant environmental damage and that the Secretary of the Authority be instructed—to file such with said Executive Office of Environmental Affairs its Report and finding in accordance with the Authority's Rules and Regulations.

I. Minimum Standards. The minimum standards for financing, construction, maintenance and improvement of the Project as set forth in Appendix Item #15, filed with and attached to the Application, are hereby adopted and imposed as Fules and Regulations (in addition to those hereinafter adopted and imposed) applicable to this Project

for the same period as the Project is subject to the provisions of Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960, as amended.

In addition to the minimum standards set forth in Appendix

Item #15, the Authority hereby requires that the Applicants, prior
to obtaining a building permit, (1) enter into a Regulatory Agreement
with the Authority pursuant to the requirements of General Laws,

Chapter 121A, Section 18C and containing such other terms and conditions as the Authority may in its discretion deem necessary and
appropriate; (2) submit to the Authority for its review and approval
such plans and specifications for the Project as the Authority may
require and accept such changes and modifications thereto as the
Authority may deem necessary or appropriate; and (3) adhere to such
design review controls and requirements as the Authority may in its
discretion impose.

The carrying out of the Project will not require a permit for the erection, maintenance and use of a garage within 500 feet of one or more buildings occupied in whole or in part as a public or private school having more than 50 pupils, or as a public or private hospital having more than 25 beds, or as a Church.

The Project does not require a declaration that the buildings contemplated constitute a separate building for the purpose of General Laws, Chapter 138.

J. Zoning and Building Code Deviations. Amendment to the Application filed with the Authority on September 29,1978, and made a part of the Application lists the zoning and building deviations. For the reasons set forth in the Application and the evidence presented at the hearing, the Authority hereby finds that the attached zoning deviations, attached hereto and incorporated by reference as Exhibit A, are necessary for the carrying out of the total project and therefore granted without substantially derogating from the intent and purposes of the applicable laws, codes, ordinances and regulations, respectively.

The lot upon which the building is situated is a lot that cannot be expanded, that the building cannot be modified in any manner without substantial hardship to the Applicant to meet said violations and that the financial feasibility of the project requires that the entire building be rehabilitated to maximize rental income. The premises are bounded by housing units, business concerns and city streets and that additional lot area is not available to the premises.

As to violation 15-1, because of the lot size and the uniqueness of the building, the building cannot be modified to meet the Code.

As to violation 17-1, because of the lot size and size of the building situated thereon and the unavailability of additional and contiguous lot space, the premises could not conform to the Code. Further, substantial interior space will be afforded the proposed residents in the form of common sitting areas, recreation areas and multipurpose rooms. As a result, the proposed elderly residents of the building will be afforded substantial exterior and interior common recreative space which combined square footage approximates the open square footage required by the Code for open space.

As to violation 23-1, the limited lot size does not afford off street parking on the premises and that additional lot space is not available. Elderly residents generally do not own automobiles. In addition, the premises front on Rutherford Avenue, Charlestown, which thoroughfare has been discontinued almost eliminating traffic flow.

Further, since the discontinuance of the use of the premises as an elementary school, street parking by teachers and ancillary school personnel including school buses has been entirely eliminated. Abuttors contend that offsite parking for elderly residents would not cause parking congestion.

The circumstances affecting the subject premises are unique to these premises and that the deviations requested are the minimum deviations that will accomplish this purpose. In addition, the granting of these deviations will be in harmony with the general purpose and intent of the City of Boston Zoning Code, will not be injurious to the neighborhood or otherwise detrimental to the public welfare.

- K. <u>Duration of Period of Tax Exemption</u>. The period of extension requested for exemption from property taxation is for a term of twenty (20) years or co-terminous with H.U.D. Section 8 subsidy.
- L. <u>Decision</u>. For all of the reasons set forth in the foregoing report, the Authority hereby approves the undertakings by the Applicant of the Project pursuant to Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960.

EXHIBIT A

BOSTON ZONING CODE DEVIATIONS

Chapter 665 Acts of 1956 as amended

Articles 14, 15, 17 and 23

Section 14-2 Lot area for additional dwelling unit is insufficient

Section 15-1 Floor area ratio is excessive

Section 17-1 Usable open space is insufficient

Section 23-1 Off Street parking facilities are not provided

TO:

BOSTON REDEVELOPMENT AUTHORITY

FROM:

ROBERT J. RYAN, DIRECTOR

SUBJECT: REPORT AND DECISION ON THE 121A APPLICATION AND AMENDMENT OF

CHARLESTOWN E.D.C./JOHN HARVARD SCHOOL APARTMENTS, INC.

On September 21, 1978, the Authority conducted a public hearing with respect to the above-captioned Application. At that meeting the Board heard a presentation by the Applicants.

The Project consists of the acquisition of the John Harvard Public Elementary School in Charlestown from the Boston Public Facilities Department, and converting the structure into 30 units of housing for the elderly and handicapped. All of the units will receive Section 8 rental assistance.

The staff has examined the application and found that it contained sufficient evidence in support of the Project to permit the Authority to make those findings and determinations necessary to proceed with the approval of the Project.

It is therefore recommended that pursuant to Chapter 121A of the General Laws, the Authority adopt the Report and Decision a pproving the Project. An appropriate Vote follow:

VOTED: that the document presented at this meeting entitled, "Report and Decision on the Application of Charlestown E.D.C./John Harvard School Apartments, Inc. for the Authorization and Approval of a Project Under Massachusetts General Laws (Ter.Ed.) Chapter 121A as Amended, and Chapter 652 of the Acts of 1960, to be Undertaken and Carried Out by a Non-Profit Corporation Formed Under M.G.L. Chapter 180, and Approval to Act as an Urban Redevelopment Corporation Under said Chapter 121A" be and is hereby approved and adopted.

